



Presentation to the 2017 Health and Human Services
Joint Appropriation Subcommittee

HUMAN & COMMUNITY SERVICES DIVISION

Economic Security Services Branch

Department of Public Health and Human Services

Reference: Legislative Fiscal Division Budget Analysis, Volume 4, Pages B-

1. Where are we now?

1a. Mission: To support the strengths of families and communities by promoting employment and providing the assistance necessary to help families and individuals meet basic needs and work their way out of poverty.

1b. Contact Information:

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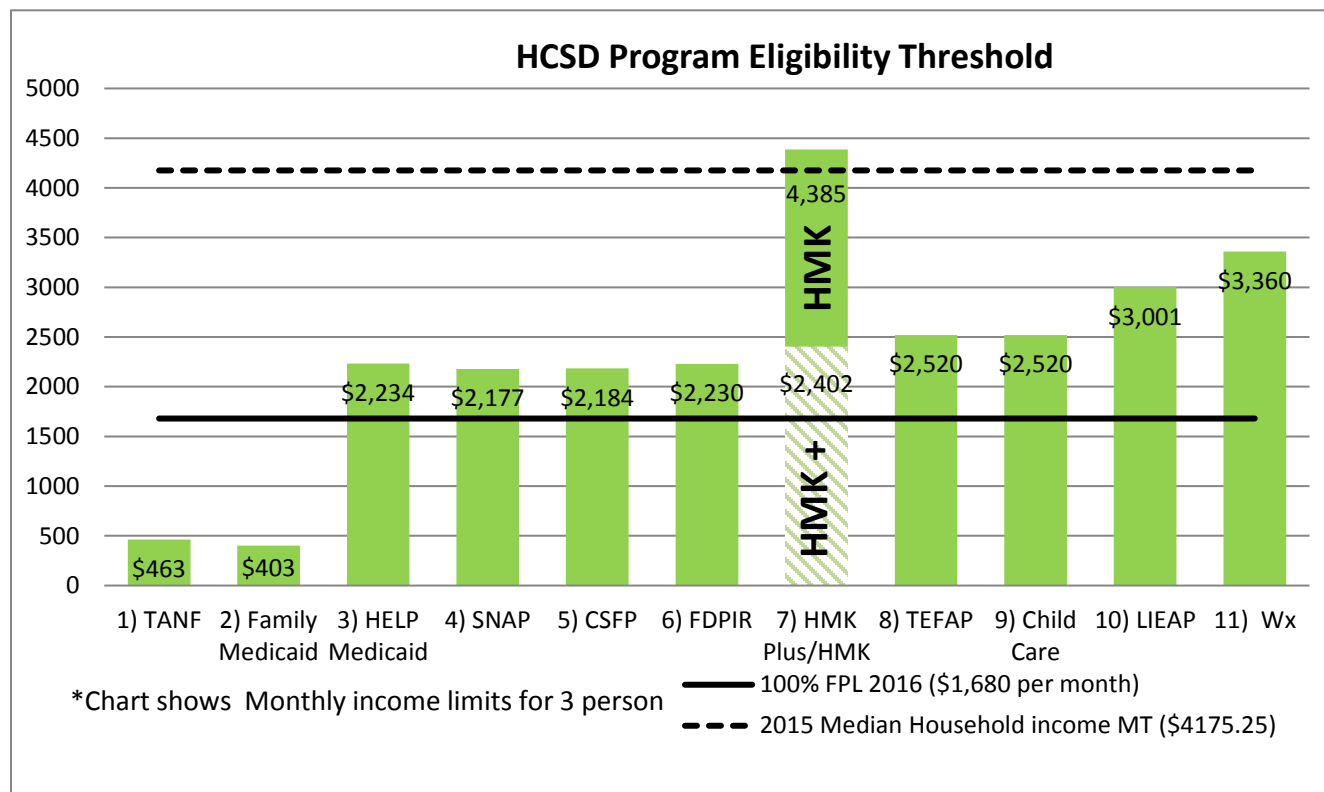
1c. Overview:

The Human and Community Services Division (HCSD) provides economic safety net programs for eligible Montanans – more than half of these are children. These programs are designed to help households with no or limited income meet basic human needs for food, shelter, heat, healthcare and childcare. Many of the division’s programs include expectations to work or engage in work training and education programs, with goals of leading to economic self-sufficiency. HCSD also supports small business through contract partnerships and targeted investments in early childhood businesses through the Best Beginnings STARS to Quality Program.

While the division has many partners throughout the state through early childhood coalitions, Head Start, public schools, and other community teams, the division formally partners with just under 800 local non-profit and business contractors throughout the state and employs just under 500 FTE with expenditures for personnel, operation, and distributed benefits exceeding \$300,000,000. HCSD’s commitment to having a main street presence in over 40 field offices provides community based solutions for individuals experiencing economic hardship. Approximately 86% of the division’s FTE are in local offices throughout the state. Over the last six months, the division’s turnover rate has held steady at approximately 12%, a decrease of 5% in the last year.

General Program Eligibility

The following chart shows the various programs and maximum “countable” income for a family of three to qualify for assistance. Note: program eligibility is not based solely on countable income since other qualifying conditions may exist relative to the specific program.



- 1) Temporary Assistance for Needy Families
- 2) Family Medicaid
- 3) HELP Plan
- 4) Supplemental Nutrition Assistance Program (formerly food stamps)
- 5) Commodity Supplemental Food Program (elderly)
- 6) Food Distribution Program Indian Reservations (cannot receive SNAP)
- 7) Healthy Montana Kids *Plus* (children's Medicaid) and Healthy Montana Kids (CHIP coverage above HMK Plus)
- 8) The Emergency Food Assistance Program (food banks)
- 9) Child Care
- 10) Low Income Energy Assistance Program
- 11) Weatherization Program

People Receiving Benefits (Listed by County)

On the following page is a chart showing the **average number of clients per month**, in each of the major programs of the Division in state fiscal year 2016 by county*. Note: this is a duplicated count of individuals. Individuals may be counted in one or more columns because they may receive more than one type of benefit. The individuals receiving health coverage have all been combined in one column. This figure includes; Adult and Childrens Medicaid, HMK (CHIP), Medicare Savings Program and the HELP Program.














** The Health Coverage data is from June 2016. The population is from Census data March 2016.*

People Provided Benefits By County SFY2016						
COUNTY	Population	SNAP	TANF	LIEAP	Child Care	Health Coverage
Beaverhead	9,300	753	45	323	61	1,940
Big Horn	13,242	4,087	972	970	128	5,507
Blaine	6,577	1,457	11	153	7	2,427
Broadwater	5,689	431	25	287	5	926
Carbon	10,408	622	8	220	24	1,664
Carter	1,180	30	2	36	-	167
Cascade	82,278	10,251	407	2,915	1,043	18,712
Chouteau	5,767	324	9	101	8	922
Custer	12,135	919	18	308	88	2,410
Daniels	1,760	60	4	34	12	215
Dawson	9,625	622	12	275	75	1,456
Deer Lodge	9,139	1,124	62	579	79	2,137
Fallon	3,190	126	2	50	-	475
Fergus	11,427	884	22	393	37	2,521
Flathead	96,165	11,353	372	3,400	634	23,403
Gallatin	100,739	4,463	132	2,115	531	13,822
Garfield	1,314	37	1	21	2	224
Glacier	13,647	5,049	1,007	292	36	6,241
Golden Valley	827	86	3	26	-	252
Granite	3,240	221	3	97	6	503
Hill	16,572	3,195	32	652	171	5,584
Jefferson	11,645	680	32	370	38	1,729
Judith Basin	1,926	76	4	56	2	333
Lake	29,457	5,656	244	1,241	336	9,502
Lewis & Clark	66,418	6,822	417	3,305	545	13,180
Liberty	2,408	71	-	24	-	514
Lincoln	19,052	3,316	159	1,990	116	5,624
Madison	1,683	303	10	182	8	1,067
McCone	7,915	27	1	28	-	318
Meagher	1,830	177	12	174	6	652
Mineral	4,251	538	17	459	17	1,058
Missoula	114,181	13,628	456	5,719	1,109	24,427
Musselshell	4,582	694	22	355	18	1,318
Park	15,972	1,395	45	728	102	3,270
Petroleum	475	20	-	12	-	67
Phillips	4,169	438	17	132	12	1,140
Pondera	6,184	872	124	290	26	2,044
Powder River	1,773	26	-	11	2	205
Powell	6,840	692	31	282	27	1,292
Prairie	1,160	68	4	48	8	200
Ravalli	41,373	4,726	148	2,348	285	10,017
Richland	11,960	512	7	142	41	1,573
Roosevelt	11,476	2,697	686	98	55	4,639
Rosebud	9,398	2,000	434	137	9	2,922
Sanders	11,336	1,749	36	848	7	3,195
Sheridan	3,687	188	8	115	8	548
Silver Bow	34,622	5,050	276	2,709	556	8,658
Stillwater	9,486	472	21	126	36	1,316
Sweet Grass	3,634	136	4	48	7	485
Teton	6,104	409	23	241	12	1,541
Toole	5,087	433	15	130	18	1,078
Treasure	697	40	2	20	-	138
Valley	7,659	700	98	181	38	1,714
Wheatland	2,110	193	4	75	4	674
Wibaux	1,130	53	2	22	-	134
Yellowstone	157,048	16,218	1,024	4,539	2,161	32,667
State Total	1,032,949	117,165	7,523	40,432	8,556	230,747

1d. Major Functions:

Division Continuous Quality Improvement: Service First in Offices of Public Assistance

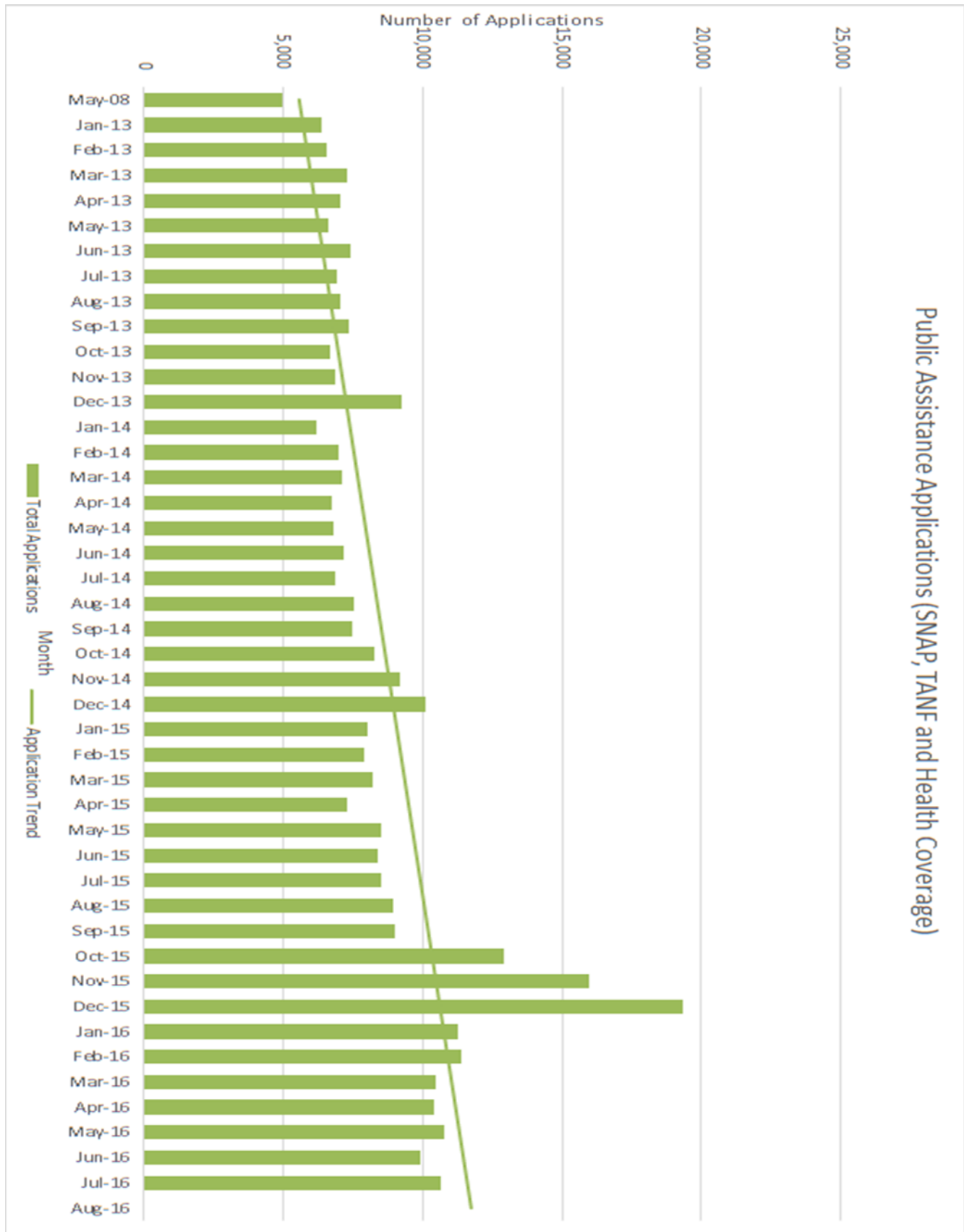
Service First is a renewed commitment to respectful, prompt, and accurate service to our clients across the state. The division has made significant strides over the last biennium and continues to implement needed changes to address the needs of clients and staff. The following chart demonstrates the status of Service First Implementation Strategies:

Centralized Scanning and Documents	
CHIMES EA Stabilization and Automation	
Eligibility Specialization	
Client Portal to allow for online application, change reporting, renewals and electronic notice – Apply.mt.gov	
Public Assistance Helpline	
HCSD Service/Help Desk	
Public Assistance User Guide	
Lobby Management	
Policy Alignment	
Processing centers and model office roll out	
Business Intelligence and performance monitoring	
Quality Assurance and Fair Hearing Unit	
Task Based Processing	
Enhanced Training Institute	In Progress
Service First Certification	In Progress

With the implementation of these strategies combined with the functionality of CHIMES, Montana has been well positioned to respond to changing needs, including Medicaid expansion. Of the roughly 60,000 people determined eligible for the HELP program, 40,000 of those individuals were enrolled within a 4 month period. This resulted in a huge workload increase, which the Service First business redesign helped us meet. Additionally, the division is using data to make directional decisions at both local and state levels as well analyze effectiveness and measure progress.

The division has identified key benchmarks in the division with evaluating and achieving its goals of prompt, accurate, and respectful service. The following data demonstrates the current context for Offices of Public Assistance. The economic downturn in 2008 in the nation and in Montana resulted in a significant increase in applications for public assistance, specifically a 75% increase for SNAP, TANF, and Health Coverage between May 2008 and October 2014. Monthly applications numbers never returned to the level prior to the recession. With the HELP Act, we experienced a monthly increase of around 50% more applications for health coverage in the first 6 months of 2016.

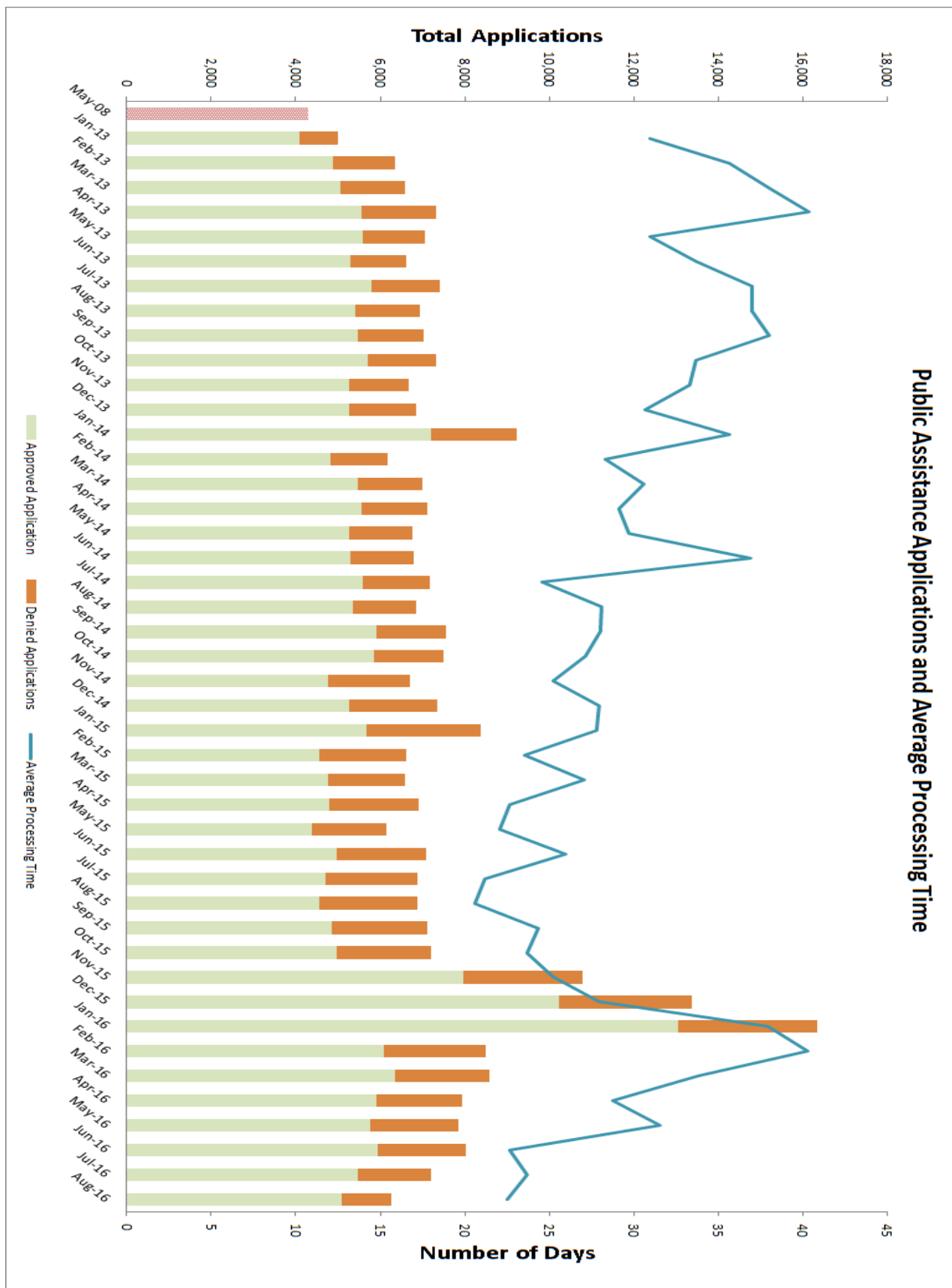
Public Assistance Applications (SNAP, TANF and Health Coverage)



How are we doing on *timeliness*?

Federal standards exist related to application processing and other case actions. Montana has established goals beyond the federal standards and strives to absolutely meet the federal standard, but exceeds the standards in some cases.

In the following chart you will see the number of applications and the average time to process all applications. With the improvement in efficiencies and task-based processing we have begun to improve even more. While we did have a spike due to the increase in applications our timeliness continues to improve and currently around 93% of all applications are processed within 30 days.



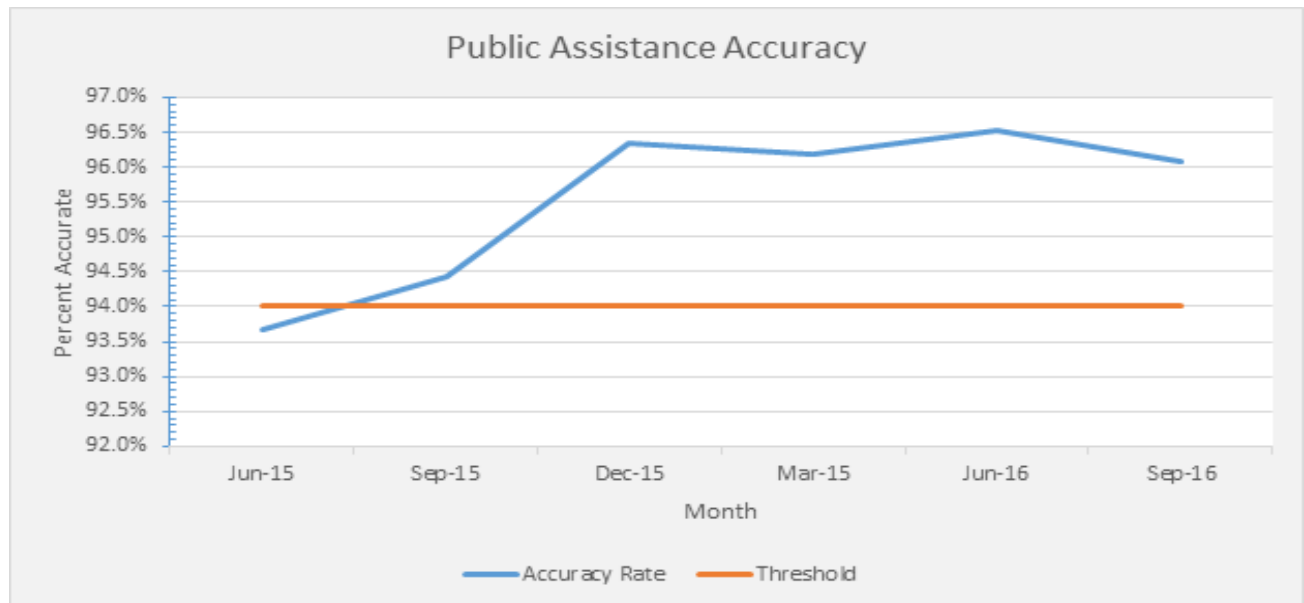
* Denied means all programs on the application were denied, Approved means at least one program was approved.

*Average verification time equals the average number of days to work an application across all programs in a particular month.

How are we doing on *accuracy*?

The division has several measures to assess the overall accuracy of making eligibility determinations. These include

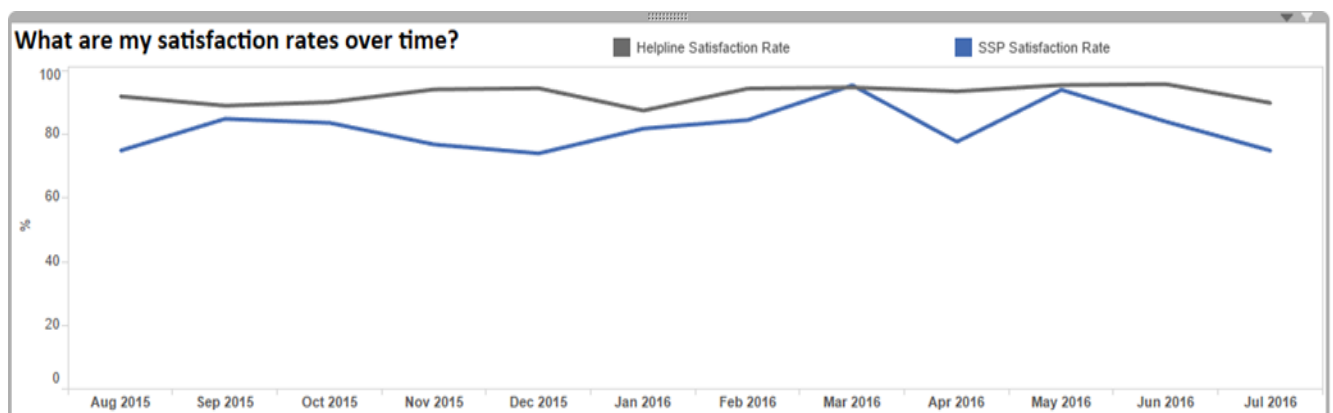
- **Federal Reviews and Audits**
- **Authorization Reviews**
- **Targeted Administrative Reviews**



How are we doing on *respectful*?

Clients are provided many opportunities to provide feedback on how we are doing in providing service. We currently capture customer satisfaction through three channels; online, over the phone and in the office.

The chart below shows customer satisfaction results from the online and phone feedback. The overall satisfaction continues to be around 80%.



"not only was service good, it was clearly getting better, polite staff and professional office. I was pleased".

"All in all, I believe you are doing an excellent job -- I am receiving absolutely critical, needed benefits, and you're working with me (or we're working together) to make that happen"

"It was a much nicer experience using the online tools than having to waste gas going back and forth to the office two to three times."

The division also started providing customer satisfaction opportunities for clients that visit our local office. The surveys indicate we are moving in the right direction. Here are a few examples:

Energy Assistance

Energy assistance includes the Low Income Energy Assistance Program (LIEAP) and the Weatherization Program. On average, about 19,000 Montana Households receive assistance with seasonal heating bill. Based on financial eligibility, the average household subsidy through LIEAP for the 2015-2016 heating season was \$585. Weatherization not only employs local workers and saves low income households money on their fuel bills, but it also conserves natural resources. Whenever possible, materials used are purchased locally. Houses are prioritized based on eligibility of the dwelling and high energy consumption. In the past year, 1,067 households received weatherization assistance, resulting in a projected reduction of energy consumption of 45% per dwelling.

Food Security

Truckloads of Food Commodities

Through the state owned warehouse for food commodities, HCSD houses and inventories meals for vulnerable populations across the state. Warehouse truck drivers delivered nearly 400,000 cases of food to hungry Montanans last year:

- 27% of the food supports Food Distribution on Indian Reservations,
- 28% feeds low income seniors,
- 21% supports emergency food needs through food banks, homeless shelters, soup kitchens, and group homes.
- 24% supports the school lunch commodity foods program through OPI

Supplemental Nutrition Assistance Program (SNAP)

On average, approximately 117,000 Montanans receive SNAP benefits each month. Eligibility criteria for this entitlement program is set at the federal level. One in every ten Montanans receives SNAP benefits and nearly two-thirds of SNAP participants were children, elderly, or had disabilities.

- 44 % of participants were children,
- 11 % were seniors, and
- 10 % were disabled nonelderly adults.

The average SNAP benefit is \$250.43 per month per household. There are limitations on whom the program can serve, including able bodied adults without dependents.

Child and Adult Care Food Program (CACFP)

Through the USDA Child and Adult Care Food Program (CACFP), meals are reimbursed to participating child care programs for providing nutritious meals. The CACFP is an effective tool to support child care business management and provides meals for hungry children, while ensuring health and nutrition. In 2016, over 7.4 million meals were reimbursed in 683 facilities.

Jessy Lee, Program Coordinator said, “*Our Kid’s Table CACFP Afterschool Program* relies on partnerships at all levels. We are seeing a difference in the lives of these kids. The program has reached more than 600 children. It is powerful to hear school administrators and teachers reporting the positive impacts of this food.”

Poverty Reduction Efforts through Community Investment

Through the efforts of the homeless assistance program, 775 individuals received help preventing homelessness or regaining adequate housing. In 2016, funds were utilized for emergency shelter, homeless prevention and rapid re-housing.

Community specific efforts to address poverty are supported through the Community Services Block Grant (CSBG). Examples of this work include youth employment, free transportation between rural communities, and a community café in Bozeman, Montana.

The Community Café is a Pay-What-You-Can restaurant where you pay what you can afford and in turn enjoy a healthy meal prepared in a sit-down restaurant setting. The meal is prepared by a culinary team and served by committed groups of volunteers. The Community Café also has a Culinary Arts Program through their workforce training program.

When Ally left high school early, she needed some help finding a path forward and reached out to the HRDC to help her find a way. Ally shared that she had a dream to become a professional chef as she'd known since she was 5 years old that she wanted to make amazing meals for the people she loved. Ally remembers spending a lot of time in the kitchen with her Mom and Grandma and loved how food brought them together as a family. Ally also recalled several times in her life when her family did not have enough food. "I know what it's like to struggle just to get through a day or week," says Ally. When HRDC staff told her about the Community Cafe and it's Culinary Arts Program, Ally could see the beginning of her dreams coming true. At 16 years old, Ally is one of the youngest students to have graduated from the Culinary Arts Class in the spring of 2016. In addition to working towards completing her Hi Set and enrolling in a Culinary Arts degree from Flathead Valley Community College, Ally will also work part time with the HRDC in their Higher Ground Coffee Hut - set to open this month - preparing breakfast food items.

Health Coverage

Eligibility for health coverage includes a wide range of the state’s population, from infants to senior citizens, disabled children and adults in need of community services and long term care. This also includes eligibility for the HELP population. Each month approximately 220,000 Montanans received health coverage benefits, with over 60,000 newly eligible under the HELP program. Eligibility is primarily determined by the Offices of Public Assistance; however, we are fortunate to have a partnership with the Confederated Salish and Kootenai Tribes as well as the Chippewa Cree Tribe to support eligibility and enrollment.

Employment and Family Support

Temporary Assistance for Needy Families (TANF)

In Montana, there is a state run TANF program and four tribes manage their own TANF programs. These tribes are: the Blackfeet Tribe, Chippewa Cree Tribe, Fort Belknap, and Confederated Salish and Kootenai Tribes (CSKT). The Montana TANF Program is designed to help families become stable, able to work, and financially secure, and focuses on temporary assistance. In order to be eligible for TANF, the household must have a child or be pregnant in their 3rd trimester. The federal limitation on temporary assistance is 60 months in a lifetime.

Clients eligible for TANF services may be eligible to receive cash assistance and/or other supports to assist in meeting the goals of family stability, employability, and financial security. Approximately 7,500 Montanans in 3,350 households receive TANF in the form of cash assistance each month.

On average, TANF households are generally households of 3 individuals with very limited income. The table below illustrates a common TANF family served.

TANF FAMILY		
Number in the Family	Average Income	Average TANF Benefit Amount
3	\$290.50	\$470

With 45% of the TANF caseload being child only cases, Montana has begun to identify ways to support this unique population. Many times, TANF is a diversion program for Child and Family Services, and caretaker relatives can care for the children and receive a TANF grant for the child. The TANF benefit is less than foster care payments, but is a solution to assist with family needs.

Targeting the remaining TANF eligible population, Montana has been reforming its TANF Program. While there are clear federal regulations, states have some flexibility in program design. Two years ago, Montana stakeholders developed a strategic plan for TANF, aimed at truly helping families become stable, able to work, and financially secure. For reference, the strategic plan is located at the following website:

<http://www.dphhs.mt.gov/hcsd/tanfstrategicplan.aspx> .

New service delivery- using the Bridge Model for assessment, goal planning, and evaluation.

Montana awarded contracts for a new service delivery model. Fourteen contractors in 19 regions across the state are assessing the needs of TANF families, providing client advocacy, and working to help clients set reasonable goals utilizing Montana's TANF bridge model. Additionally, contractors will work with community partners to assist in identifying resources and services to support the family's needs as they work toward becoming stable, able to work, and financially secure. There are work requirements for TANF families; however, not all TANF families are alike. Some require intensive engagement, services, and supports; while others may only need some light engagement to get back on their feet. Contractors are able to assess the needs of families and match the appropriate program to the family. Services offered by contractors include employment training programs, subsidized employment, budgeting and financial planning.

MONTANA'S TANF FRAMEWORK
"Families are stable, able to work, and financially secure."

Barrier Rating Scale	Family Stability								Employability				Financial Security	
	Food	Housing	Safety	Transportation	Physical and Mental Health	Child Education & Child Care	Child Health & Development	Social Supports	Legal	Education	Training	Employment Skills & Experience	Income	Financial Knowledge & Skills
absent/minimal = 0	consistent access to nutritious food of choice without assistance	stable, safe, affordable, unsubsidized housing	no safety concerns for self and/or family	reliable transportation of own	health concerns or disabilities do not disrupt or limit employment; no health concerns	unsubsidized, quality child and out of school time care; progress in academics	children's physical, social, emotional, and behavioral needs are met	effective, healthy support system	legal issues do not limit or disrupt employment; no legal issues	obtained an AA degree or higher	obtained technical diploma or licensure	successfully using work experience and employment skills	stable income with some savings	able to manage complex personal finances
mild = 1	food purchase possible with SNAP and other resources	safe, affordable housing	limited safety concerns; effective safety plan	reliable transportation from others; public transportation	health concerns or disabilities occasionally disrupt employment	quality child and out of school time care; children attending school regularly	children engaged in age appropriate health and/or developmental supports	limited social supports	legal issues occasionally disrupt employment	obtained high school diploma or equivalent	obtained certificate or credential	gaining work experience and employment skills	income covers basic living expenses	able to manage basic personal budget
moderate = 2	completely dependent on free or low-cost food	temporary, transitional, or unaffordable housing	possible threats to safety; connected to community resources	unreliable and/or unaffordable transportation options	health concerns or disabilities limit and/or often disrupt employment	unsatisfactory child care; children not attending school regularly	connected to health and/or developmental resources	unreliable social supports	legal issues limit and/or often disrupt employment	attending high school or equivalent	attending certificate program or industry credential	limited work experience; basic employment skills	income does not cover basic living expenses	understands basic budgeting
high = 3	no access to purchase and/or prepare food	no housing; unsafe housing; threatened with eviction	unpredictable and/or unsafe conditions for self and/or family	no access to transportation	health concerns or disabilities prevent employment	children not enrolled in child care and/or school	unaddressed health and/or development concerns	no or unhealthy social supports	legal issues prevent employment	no high school diploma or equivalent	no training, certificate, or credential	no or negative work experience; no employment skills	no income	personal budgeting difficulties; debts in excess of ability to pay
TANF Stability Threshold	food needs are met	housing is safe and affordable	family is safe	reliable transportation	health concerns stable	child and out of school time care available	children's health and development are supported	family is socially supported	legal issues not a barrier to employment	education supports employability	training supports employability	experience and skills support employability	income covers living expenses	basic financial understanding and management

Montana has identified individual and program outcomes to evaluate the effectiveness of this model, using the Bridge categories. The theory is that if families are supported throughout a period of time through client advocacy and goal setting, having support when there are setbacks, and continued engagement for a period of time after exiting the program, we will reduce the amount of time on TANF for most families, and families will be stable, working, and financially secure, with limited regression.

Child Care Assistance for Working Families

Child care can be expensive for families. By helping low income families pay for child care, parents are able to work. Eligible Montana families can receive help paying for child care costs for their children through the Best Beginnings Scholarship Program, this includes working families, students, children served through Child and Family Services, and families served through the Temporary Assistance for Needy Families (TANF). Last year, 5,681 families received help defraying costs of child care. Not only do families benefit from the Best Beginnings Scholarship Program, but so do early childhood providers. Reimbursement rates are established for child care providers. They are based on available funding but aim to set adequate and competitive rates throughout the state. Additionally, policies are designed to support continuity of care and staffing for the child care provider and the child to assure consistency.

"As parents of three young girls, the scholarship has helped me continue to work fulltime. The girls' father was recently diagnosed with a condition that causes his hip and legs to go out and he falls. Since I am the only one able to work at this time, the scholarship provides financial ease to our situation." Deanna C

Parenting and Early Childhood Mental Health Support

The Healthy Montana Teen Parent Program provides services to pregnant and parenting teenagers across the state in partnership with nine contractors. Services include parenting and life skills education, resources, and support to 292 pregnant and parenting adolescents, and 79 of their children.

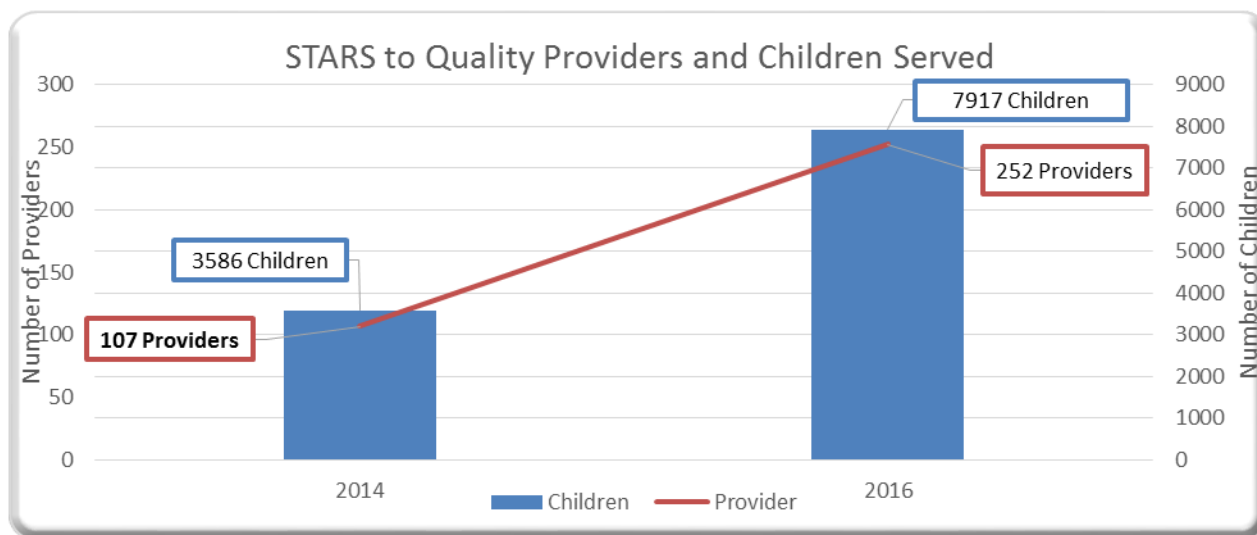
The Montana Project LAUNCH, (Linking Actions for Unmet Needs in Children's Health) is a collaborative approach targeting early childhood mental health. Through statewide partnerships

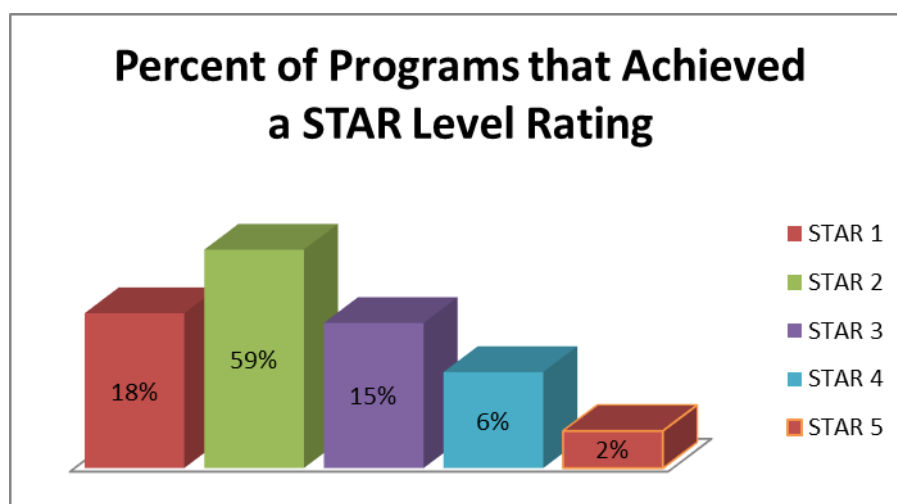
between the Early Childhood Services Bureau (HCSD), the Children's Mental Health Bureau (DSD), and the Family and Community Health Bureau (PHSD) and local Gallatin and Park counties, we are beginning to address mental health needs of our youngest citizens through a combined effort focusing on provider education, early identification, and targeted supports for children in early childhood programs, who may have identified mental health needs.

Best Beginnings STARS to Quality: Supporting Small Business, Parents, and Children through Pay for Performance

The voluntary Best Beginnings STARS to Quality Program provides a clear path toward quality early education and incentivizes positive outcomes. The Best Beginnings STARS to Quality Program has been supported in the Governor's budget and by the legislature during the last 2 sessions. Currently the total capacity for children served in STARS programs is just under 8000 children, this represents 39% of the total capacity of licensed programs in Montana. Programs receive training and support as they work to improve the quality of their services to children and families. Research-based criteria must be achieved and validated at each STAR level.

The chart below illustrates the increase in providers and the capacity for children to be served in STARS to Quality Programs over the last 2 years.

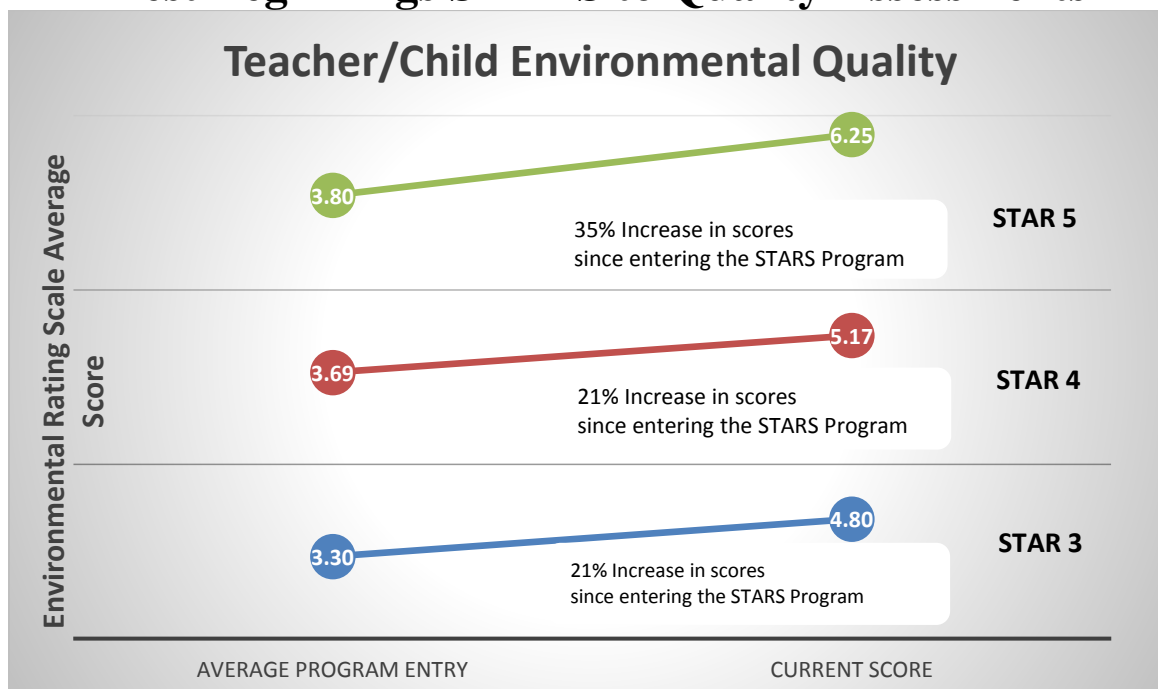




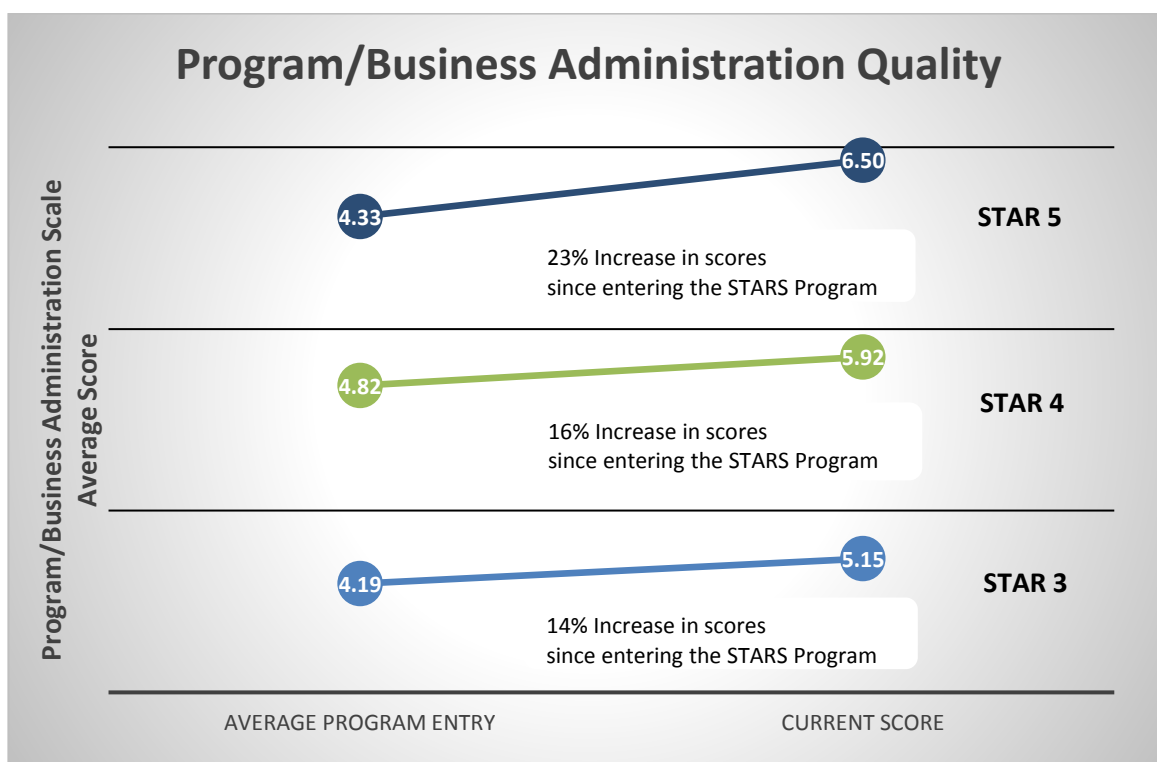
*The graph represents star levels achieved among all providers advancing through the STAR framework.

Included in the research-based criteria are standard assessments. Environment rating scales measure the quality of the early childhood classroom and the interactions and experiences children receive. Administration scales measure business effectiveness and operations.

Best Beginnings STARS to Quality Assessments



*Classroom, interactions, experiences for kids



Providers have embraced STARS

STARS to Quality incentivizes programs who reach STAR levels by offering incentives for staff salaries, professional development opportunities, and funding for program improvement and enrichment. For example:

- A Great Falls provider utilizes her STARS incentives to support staff salaries.
- A program in Browning was able to utilize STARS incentives to support staff to attend professional development trainings;
- A Family Child Care in Great Falls, that recently joined STARS, will now have an opportunity for additional training in the area of finance and budgeting. Using the Business Administration Scale has led her to seek training in this area.
- A provider in Havre improved the outdoor play area for infants; and

"The STARS incentives help to manage the overhead in a child care business so we can provide a better program for kids" -Michelle S., Jitterbug Child Care

"...the incentives that we receive from STARS also makes it possible for us to purchase the supplies and materials that we need to maintain the high quality program our parents desire, as well as provide funds that can be used to further the professional development of all my staff." — Stacy B., Manhattan Christian Early Learning Center

"Quail Hollow would love to tell you thank you so much for the outdoor environment funding. Because of the Stars program, the children have a lot more material to keep them safe and to enhance their outdoor environment. Many of the items we were able to purchase have been on our wish list for a long time. We are sharing some pictures with you of the children enjoying the new materials...The parents, children, and teachers are very excited by what we were able to purchase. Thank you for making this possible." -Regina R. Ohnstad-Couture, Director of Quail Hollow Cooperative Day School



STARS to Quality valuable for parents

In addition to supporting child care facilities, the STARS program serves as an important tool for parents who are selecting child care services for their children. Currently, just under 8,000 children are served in STARS programs, a 121% increase in children served compared to 2014.

"My child is in a STARS to Quality program and I have been so thankful for the quality of care he is receiving. When I drop my child off he is greeted with kind and caring caregivers that embrace him with hugs. During drop off and pick up the caregivers also provide me with a schedule and learning information from the day/week-right now, my child's class is learning about families and creating self-portraits. At the end of my work day, there is nothing better than seeing my two year old's self-portrait! He is so enthusiastic about going to school!

I am a full-time working parent, this past weekend when I was spending time with my two year old I observed him counting to 10, covering his cough with his arm, singing songs and independently gathering his shoes and sweatshirt in preparation to go outside. When I observed these things, I literally stopped in my tracks as I was amazed in the changes I have seen in my child since he started attending *his* school. These are specific outcomes that I value as my son prepares for his continued independent learning and preparation for kindergarten'." – Dave D.

"We moved our son to a STAR 4 program and the difference was night and day! He is much more social and emotionally prepared to learn than we saw in the previous program. He is more focused and ready and willing to learn. They care about my child's safety, education, and his future and the care he receives is top-notch and affordable. Having healthy meals provided when they started participating in the meal program was such a nice advantage! The Director was accessible, she listened and I know she not only cared about my family, but her employees, very much. She encouraged all of them to continue their education so they could be even better at what they do."-Rachael D.

High Quality Early Childhood Education valuable for children

Ninety percent of the human brain is developed by the age of 5. By participating in high quality programs, like Best Beginnings STARS to Quality and other high quality preschool programs, brain development is supported. Research shows that children who participate in high quality early childhood programs are:

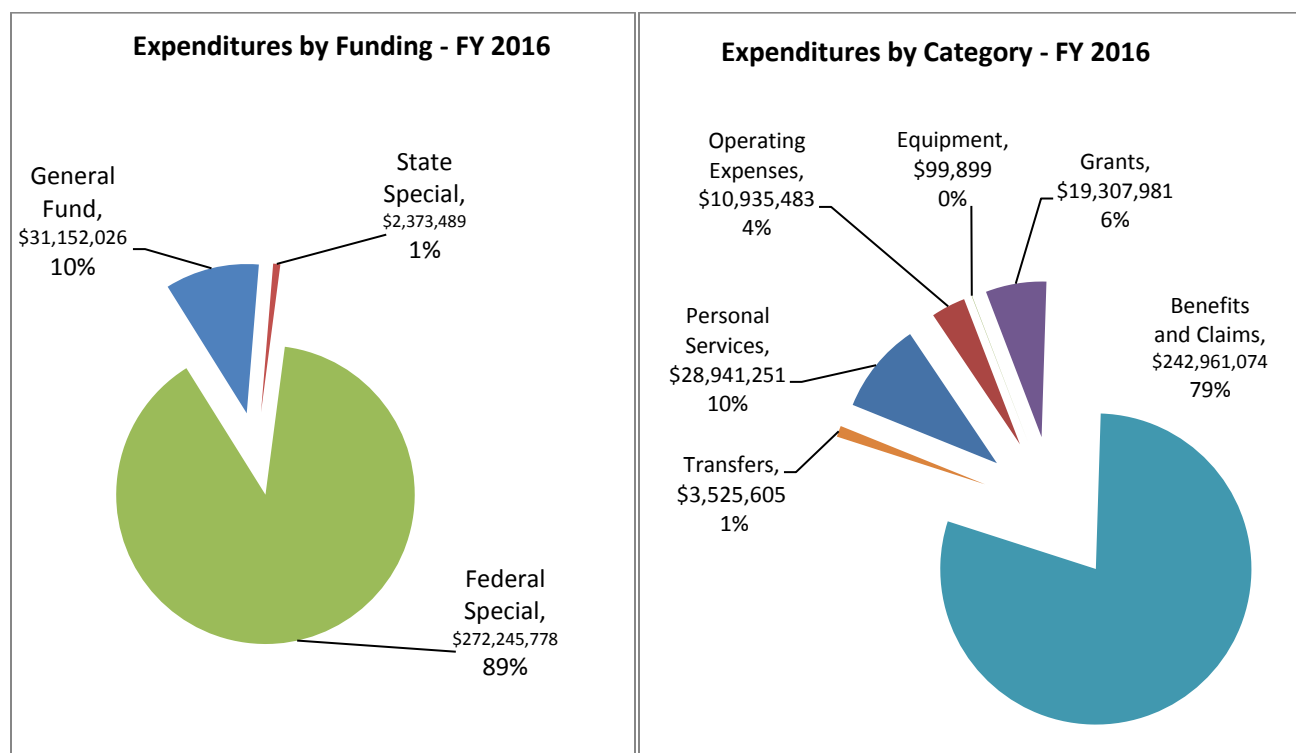
- 40% less likely to repeat a grade or require special education
- 30% more likely to earn a high school diploma
- More likely to attend college
- More likely to be employed at age 40
- More likely to have better health outcomes including lower risk of hypertension and heart disease
- And will earn an average of \$5,500 more per year

For vulnerable children, high quality experiences are even more important. As such, included in the Best Beginnings STARS to Quality model is an expectation that participating programs hold slots for children with high needs including, but not limited to children with disabilities, children from low income households, children in child protective services, etc.

1e. Current Budget/Expenditures (includes OTO)

	FY 2017 BUDGET	FY 2016 Actual Expenditures
FTE	488.31	505.31
Personal Services	29,491,041	28,941,251
Operating	8,583,117	10,935,483
Equipment	25,000	99,899
Grants	21,050,893	19,307,981
Benefits & Claims	259,357,301	242,961,074
Transfers	2,286,044	3,525,605
Total Request	320,793,396	305,771,293
General Fund	32,955,774	31,152,026
State Special Fund	2,624,401	2,373,489
Federal Fund	285,213,221	272,245,778
Total Request	320,793,396	305,771,293

The following figures provide funding and expenditure information for FY 2016 for the Human & Community Services Division (HCSD).



2.HCSD: Where do we want to be in two years?

Guiding Principles:

- Create More High-Paying Jobs
- Improving Montana's Education System
- Operating an Efficient and Cost Effective Government

Themes:

- Increased Self Sufficiency
- Operating an Efficient and Cost Effective Government

HCSD Goals and Objectives:

- Increase the economic security and self-sufficiency of Montana families.
- Ensure the health and safety of Montanans by providing essential services and linkages to community resources.

Measurements:

Through review and analysis, the division determines whether:

Temporary Assistance for Needy Families (TANF)

- Basic cash grant is provided
- All families are engaged in meaningful work activities
- Federal work participation requirements are met

Supplemental Nutrition Assistance Program (SNAP)

- All Federal accuracy and timeliness requirements are met
- The use of SNAP benefits (formerly food stamps) is expanded

Medicaid and Healthy Montana Kids (HMK) Eligibility

- All Federal accuracy and timeliness requirements are met
- Referrals to all public health care programs are coordinated

Low Income Energy Assistance Program (LIEAP)

- Cost-effective energy conservation measures are provided to low-income families
- Eligible households receive assistance with heating bills

Childcare

- Affordable, accessible, quality childcare is provided for low-income families by adequately reimbursing childcare providers and serving families.

3. How are we going to get there?

3a. Present Law Adjustments:

CHANGE PACKAGES (SEE LFD BUDGET ANALYSIS, PAGES B-29 TO B-31)

The following Change Packages are requests for new and continued funding requested by the division for general fund, state special revenue funds and federal revenue funds. The division has no requests for authority to expend federal and state special revenue funds from new sources.

SWPL- 1 Statewide Present Law -1- Personal Services- Page B-29

- The budget includes a reduction of \$141,295 in FY 2018 and \$218,703 in FY 2019 to annualize various personal services costs, FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	(\$148,118)	(\$ 15,150)	\$ 21,973	(\$141,295)
FY 2019	(\$192,216)	(\$ 18,420)	(\$ 8,067)	(\$218,703)
Biennium Total	(\$340,334)	(\$ 33,570)	\$ 13,905	(\$359,998)

SWPL-2 Statewide Present Law-2- Fixed Costs- Page B-29

- This request includes \$101,663 in FY 2018 and \$108,854 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide.
- Examples of fixed costs are liability and property insurance, legislative audit, warrant writer, payroll processing and others.
- The rates charged for these services are approved in a separate portion of the budget.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	(\$ 51,630)	(\$ 6,512)	\$ 159,805	\$ 101,663
FY 2019	(\$ 50,844)	(\$ 6,412)	\$ 166,110	\$ 108,854
Biennium Total	(\$ 102,474)	(\$ 12,924)	\$ 325,915	\$ 210,517

SWPL-3 Statewide Present Law-3 Inflation Deflation- Page B-29

- This change package includes a reduction of \$38,083 in FY 2018 and \$31,684 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts.
- Affected accounts include food, postage, electricity, gasoline and others.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	\$ (4,386)	(\$ 549)	(\$ 33,148)	(\$ 38,083)
FY 2019	\$ (3,903)	(\$ 459)	(\$ 27,292)	(\$ 31,684)

Biennium Total	\$ (8,289)	(\$ 1,008)	(\$ 60,440)	(\$ 69,767)
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PL- 2101 – Child Care Federal Authority – Page B-30

- This present law adjustment is made to maintain existing services for the Child Care Development Fund program in the Human and Community Services Division. The requests adjusts the FY 2017 budgeted expenses by \$5,900,273 in FY 2018 and \$5,697,949 in FY 2019. The increase is necessary to fund the CCDF Reauthorization Act of 2014 requirements. This request is funded with 100% federal funds.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	\$ 0.00	\$ 0.00	\$ 5,900,273	\$ 5,900,273
FY 2019	\$ 0.00	\$ 0.00	\$ 5,967,949	\$ 5,967,949
Biennium Total	\$ 0.00	\$ 0.00	\$11,868,222	\$11,868,222

L-2103 – IHSB Grant Funding- Page B-30

- This present law adjustment is made to maintain existing services for the Department of Energy Weatherization program in the Human and Community Services Division. The request adjusts the FY 2017 budgeted expenses by \$643,198 in FY 2018 and \$643,198 in FY 2019.
- The increase is necessary to provide training and weatherize more homes.
- This service is funded with 100% federal funds.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	\$ 0.00	\$ 0.00	\$ 643,198	\$ 643,198
FY 2019	\$ 0.00	\$ 0.00	\$ 643,198	\$ 643,198
Biennium Total	\$ 0.00	\$ 0.00	\$1,286,396	\$1,286,396

3b. New Proposals:

NP- 2104 - SNAP Benefit Statutory Appropriation-Page B-30

- Due to the pass-through and unpredictable nature of federal Supplemental Nutrition Assistance Program (SNAP) benefits, the Executive has recommended legislation to remove this funding from HB 2 and establish it as a statutory appropriation.
- This Change Package requests that federal funds be reduced by \$179,540,458 during each year of the 2019 biennium.
- If the proposed legislation is not approved, then federal SNAP authority will need to be increased by \$179,540,458 in HB 2 in each year of the 2017 biennium.
- This change package is contingent on passage and approval of **LC 1098**.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	\$ 0.00	\$ 0.00	(\$179,540,458)	(\$179,540,458)
FY 2019	\$ 0.00	\$ 0.00	(\$179,540,458)	(\$179,540,458)
Biennium Total	\$ 0.00	\$ 0.00	(\$359,080,916)	(\$359,080,916)

NP- 2202 – Child Care STARS to Quality-Page B-30

- This proposal requests \$1,200,000 general fund each year of the biennium for the Best Beginnings STARS to Quality Program, which is a voluntary quality rating improvement system that aligns achievement of quality indicators with support and grant incentives for early childhood education programs and early childhood professionals.
- The request will continue the one-time-only funding from the 2015 legislative session.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	\$ 1,200,000	\$ 0.00	\$ 0.00	\$ 1,200,000
FY 2019	\$ 1,200,000	\$ 0.00	\$ 0.00	\$ 1,200,000
Biennium Total	\$ 2,400,000	\$ 0.00	\$ 0.00	\$ 2,400,000

NP- 555 – Appropriation Rebase-Page B-30

- The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Human and Community Services Division Appropriation Rebase totaling \$885,343 per year as included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2018	(\$ 635,594)	\$ 0.00	(\$ 249,749)	(\$ 885,343)
FY 2019	(\$ 635,594)	\$ 0.00	(\$ 249,749)	(\$ 885,343)
Biennium Total	(\$ 1,271,188)	\$ 0.00	(\$ 499,498)	(\$1,770,686)

3c. Proposed Legislation: none